Plaintiff craigslist, Inc. ("craigslist"), for its Complaint against Instamotor Inc. ("Instamotor"), and Does 1-10 (the "Doe Defendants") (collectively, "Defendants"), allege as follows:

NATURE OF THE ACTION

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1. Over the last 20 years, craigslist has developed one of the world's most popular websites, *craigslist.org*, which offers a simple and trusted platform for authorized users to seek employment, offer and search for housing, buy and sell vehicles, trade goods and services, find companionship, and engage in community discussions. craigslist's platform attracts tens of millions of authorized users who collectively post several hundred million classified ads each year. The use of, and interaction with, the *craigslist.org* website is governed by craigslist's Terms of Use (a copy of which is attached as Exhibit A).

- 2. Unfortunately, craigslist's success has made it an attractive target for unscrupulous "businesses" attempting to unlawfully capitalize on craigslist's hard-earned success and popularity. Despite craigslist's best efforts, these bad actors attempt to access and exploit the content of the craigslist website without authorization and for their own commercial gain, in violation of craigslist's Terms of Use and both California and federal law. Instamotor is one such enterprise.
- 3. Instamotor offers an online and app-based used car listing service that competes against craigslist. But instead of innovating to attract its own customer base, Instamotor has sought to unlawfully piggyback on craigslist's decades of hard work by stealing craigslist users' posts and contact information, harassing those users with unsolicited text and email messages advertising Instamotor's services, and reposting the harvested craigslist listings on the Instamotor site and/or app.
- 4. By this action, craigslist seeks to put a stop to Instamotor's unlawful conduct and obtain compensation for the violations that have occurred thus far.

JURISDICTION

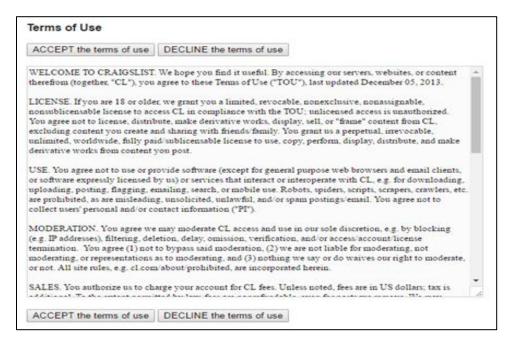
5. This is a civil action for breach of contract; violations of the CAN-SPAM Act, 15 U.S.C. § 7701 *et seq.*; and violations of the California Restrictions on Unsolicited

1	Commercial Email Advertisers, Cal. Bus. & Prof. Code § 17529, et seq.
2	6. This court has jurisdiction over the CAN-SPAM claim under 28 U.S.C. §§ 1331,
3	and supplemental jurisdiction over the remaining claims under 28 U.S.C. § 1367.
4	7. This Court has personal jurisdiction over Instamotor because it has conducted
5	substantial business and on information and belief maintains offices in this State and because it
6	has consented to personal jurisdiction in this State by agreeing to craigslist's Terms of Use,
7	which require such consent, as alleged herein.
8	<u>VENUE</u>
9	8. Venue in this Court is proper under 28 U.S.C. § 1391(b)(2), because a substantial
10	part of the events giving rise to the claims alleged in this Complaint occurred in this District, and
11	because Defendants have consented to venue in this District by agreeing to craigslist's Terms of
12	Use, which require such consent, as alleged herein.
13	INTRADISTRICT ASSIGNMENT
14	9. This is an Intellectual Property Action and may be assigned on a district-wide
15	basis pursuant to Civil L.R. 3-2(c).
16	THE PARTIES
17	10. craigslist, Inc. is a Delaware corporation, with its principal place of business in
18	San Francisco, California.
19	11. Defendant Instamotor Inc. is a Delaware corporation, with its principal place of
20	business in San Francisco, California.
21	12. craigslist does not know the true names of the Doe Defendants and therefore sues
22	those defendants by such fictitious names. craigslist is informed and believes, and on that basis
23	alleges, that the Doe Defendants are responsible for the acts alleged in this Complaint. When the
24	true names of such fictitious defendants are ascertained, craigslist will seek leave of this Court to
25	amend this Complaint to name those individuals or entities.
26	GENERAL ALLEGATIONS
27	The craigslist Classified Ad Service
28	13. Founded in San Francisco, California in 1995 by Craig Newmark, craigslist began

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as an email list for friends and co-workers to snare information about events in and around the
Bay Area. Today, craigslist has become one of the world's most popular websites, relied upon
by its authorized users who seek employment, offer and search for housing, buy and sell
vehicles, trade goods and services, find companionship, and engage in community discussions.
craigslist's fierce dedication to its users is reflected in the website's various policies and efforts
to protect those users from spam, scams, and the unauthorized harvesting or use of content
posted by users, including their personal information, by third parties seeking to exploit that
content and information for their own commercial gain. Users, in turn, entrust their content and
information to the craigslist website.

- 14. The interaction with, and use of, *craigslist.org* is governed by craigslist's Terms of Use, which are prominently featured on the website's main landing page and in the footer of nearly every page of the website.
- 15. Users agree to craigslist's Terms of Use by visiting or accessing the website. Such a contract is generally referred to as a "browsewrap" contract. Courts routinely uphold such contracts, particularly with respect to sophisticated users. Indeed, craigslist's Terms of Use has specifically been found to form a valid and binding browsewrap contract. *See, e.g., Craigslist, Inc. v. Kerbel,* No. 11-3309-EMC, 2012 U.S. Dist. Lexis 108573, *41-42 (N.D. Cal. Aug. 2, 2012) (finding defendant agreed to the Terms of Use "each time he accessed the website").
- 16. Instamotor is a sophisticated user who is demonstrably familiar with browsewrap agreements, as it has utilized them on its own website. *See, e.g.*, https://instamotor.com/terms ("Welcome to Instamotor. We hope you find it useful. By accessing our servers, websites, or content therefrom (together, 'IM'), you agree to these Terms of Use ('TOU').")
- 17. craigslist's Terms of Use are also binding as a "clickwrap agreement" vis-à-vis users who post ads to *craigslist.org*. A user is required to affirmatively assent to craigslist's Terms of Use by clicking "ACCEPT the terms of use" before the user may post an ad live to *craigslist.org*, as shown here:



18. If the user does not agree to the Terms of Use, the post is not published on *craigslist.org*. When a user affirmatively assents to the Terms of Use in this manner, the resulting contract is referred to as a "clickwrap agreement." Such contracts are routinely upheld by Courts, and courts in this District routinely enforce craigslist's Terms of Use as a binding contract on this basis. *See, e.g., Craigslist, Inc. v. 3taps, Inc., et al*, Case No. 12-cv-03816-CRB, Dkt No. 280 (N.D. Cal. October 11, 2015); *craigslist, Inc. v. Troopal Strategies, Inc.*, No. 09-04741-JW, 2011 U.S. Dist. Lexis 156825, *2-4, 8-9 (N.D. Cal. July 12, 2011); *Craigslist, Inc. v. Doe*, No. 09-4739-SI, 2011 U.S. Dist. Lexis 53123, *7-8 (N.D. Cal. Apr. 25, 2011); *Craigslist, Inc. v. Naturemarket, Inc.*, 694 F. Supp. 2d 1039, 1064 (N.D. Cal. 2010); *craigslist, Inc. v. Realworks Group LLC*, No. 08-05072-JW, 2009 U.S. Dist. Lexis 132432, at *13-14 (N.D. Cal. Oct. 29, 2009); *Craigslist, Inc. v. Mesiab*, No. 08-05064-CW, 2009 U.S. Dist. LEXIS 132433, *39-41 (N.D. Cal. Sept. 14, 2009).

19. By agreeing to craigslist's Terms of Use, the user agrees to abide by all of the prohibitions and restrictions contained therein. For example, craigslist's Terms of Use prohibits users from scraping the craigslist website, from collecting contact information for craigslist users, and from spamming craigslist users. Specifically, the Terms of Use state: "Robots, spiders, scripts, scrapers, crawlers, etc. are prohibited, as are misleading, unsolicited, unlawful, and/or spam postings/email. You agree not to collect users' personal and/or contact information."

- 20. From past experience, craigslist has learned that certain third parties intent on misappropriating craigslist content go to elaborate lengths to try to mask their identity and evade technological blocks that craigslist imposes on users who repeatedly violate the Terms of Use. As a result, those acts of technological evasion are also prohibited under the contract.
- 21. Once bound by the Terms of Use, users can browse ads posted by other users, or post ads themselves. Users' ads typically include a title, description and other relevant details about whatever the user placing the ad may be offering or seeking, and often include an email address and telephone number for replies. Typically, such contact information is initially hidden from public view, to make it more difficult for "scrapers" to copy.
- 22. As part of the classified ad creation process, craigslist users encounter a check box which reads: "ok for others to contact you about other services, products or commercial interests." If a user leaves the box un-checked, it indicates that the user does <u>not</u> want to receive third-party solicitations. If a craigslist user checks the box, it indicates that the user is willing to receive third-party solicitations.

Instamotor's Activities

- 23. Instamotor offers an online and app-based service for buying and selling used vehicles.
- 24. Instamotor is a long time user of the *craigslist.org* website. Instamotor has "access[ed] [craigslist's] servers, websites, or content therefrom" at various times and thereby "agree[d] to [craigslist's] Terms of Use," as further described above.
- 25. Instamotor has also posted at least fifty ads to the *craigslist.org* website, affirmatively agreeing to craigslist's Terms of Use as a necessary step in the posting process for each post.
- 26. For example, from at least February 8, 2014 to October 24, 2014, Instamotor posted ads on *craigslist.org* from an account associated with the *val@instamotor.com* email address.
- 27. On at least March 1, 2014, Instamotor posted ads on *craigslist.org* from an account associated with the *egjoka@instamotor.com* email address.

1	28.	On at least March 29, 2014, Instamotor posted ads on craigslist.org from an
2	account assoc	ciated with the craigslist@instamotor.com email address.
3	29.	From at least August 5, 2014 to January 13, 2015, Instamotor posted ads on
4	craigslist.org	from an account associated with the sy@instamotor.com email address.
5	30.	On at least August 11, 2014, Instamotor posted ads on craigslist.org from an
6	account assoc	ciated with the info@instamotor.com email address.
7	31.	On at least October 22, 2014, Instamotor posted ads on craigslist.org from an
8	account assoc	ciated with the yvonne@instamotor.com email address.
9	32.	On at least October 28, 2014, Instamotor posted ads on craigslist.org from an
10	account assoc	ciated with the marshall@instamotor.com email address.
11	33.	From at least March 3, 2016 to March 7, 2016, Instamotor posted ads on
12	craigslist.org	from an account associated with the dallas@instamotor.com email address.
13	34.	Instamotor harvests, scrapes, or "extracts" classified ads—and the associated
14	personal and/	or contact information of craigslist users—from craigslist's website.
15	35.	Instamotor uses the ad content that it steals from craigslist's website to populate
16	used car listin	ngs on its own website and app. As a result, craigslist has received complaints from
17	users who list	ted their vehicles for sale exclusively on craigslist, only to find out later that their
18	vehicle and co	ontact information was also being displayed without their consent on Instamotor.
19	For example,	one craigslist user complained to craigslist as follows:
20		A few months back, I advertised my car for sale and I sold it over
21		Craigslist [sic]. Over the last few days, I started getting texts about my car being for sale. One person said they found my car over an app called
22		Instamotor. The interesting this [sic] is that I never even heard of instamotor until yesterday I never downloaded their app, nor
23		advertised my car with them I am not a user nor did I give consent to
24		be contacted by potential buyers over instamotor. They said they removed the ad, but I am frustrated.
25	36.	Another craigslist user complained about Instamotor's conduct on an online
26	message boar	rd as follows:
27		I have recently sold a car through a private CL transaction. Few days
28		later, I get a message from someone looking to buy the same car & said they saw it from the Instamotor app, which I thought was odd. I only

1	posted the car ad in CL. I honestly don't like the idea of CL sharing my ad and/or having these Car Apps make their own ad for me.
2	ad and/or having these car Apps make then own ad for me.
3	See https://www.reddit.com/r/cars/comments/471wia/anyone_have_any_experience_with_
4	appbased_car/.
5	37. On information and belief, when one craigslist user complained to Instamotor
6	about their unauthorized scraping and repurposing of his craigslist ad, Instamotor admitted via
7	email: "We extracted your listing in September when it was active on Craigslist [sic]."
8	38. Instamotor uses the contact information that it steals from craigslist's website to
9	harass craigslist users with unsolicited text messages and emails advertising Instamotor's
10	services.
11	39. The messages frankly admit that Instamotor is scraping content from the craigslist
12	website. For example, a typical text message reads as follows (emphasis added):
13	Hello! It's Lizanne from Instamotor. We are a FREE app to buy/sell cars
14	safely. We have extracted your Jeep Wrangler from Craigslist [sic]. Our app features tools like privacy shield! If you would like me to call w/ more
15	info, my hours are Tuesdays/Wednesdays between 1-3 pm PST. If you provide me an email address, I can send more information via email.
16	provide me an eman address, i can send more information via eman.
17	40. The unsolicited emails are commercial in nature. The emails solicit craigslist
18	users to use Instamotor's services to sell their vehicles, but are not identified as advertisements
19	and do not contain a means for the recipient to opt out of future such emails.
20	41. Instamotor co-opts and abuses craigslist's "relay" system, (i.e., the electronic
21	communication system through which craigslist users can correspond with each other) to
22	transmit their commercial electronic mail messages.
23	42. Instamotor attempts to mislead craigslist and circumvent its spam prevention
24	efforts. For example, Instamotor uses a white-listed mail service to send the unsolicited
25	commercial emails, thereby disguising the messages' true origin in an effort to push them
26	through craigslist's relay system.
27	Irreparable Harm
28	43. Defendants' actions have caused and will cause irreparable harm to craigslist, for

1	which it has no adequate remedy at law. Defendants' conduct diminishes craigslist's goodwill—
2	by, inter alia, harming its customers and interfering with its relationships with those customers—
3	and injures craigslist's reputation as a trusted and secure platform. craigslist has worked hard
4	and invested heavily for many years so that its site can be used largely free of charge and its
5	users protected from unwanted third-party solicitations, and has implemented a complex array of
6	protocols to ensure that users will determine where their own listings appear and for how long.
7	When Defendants pirate users' material from the craigslist site and re-display it on Instamotor's
8	site and app, users are effectively robbed of that ownership and control.
9	44. Defendants' conduct also requires craigslist to deploy and administer an arsenal
10	of technological measures to try to prevent Defendants' scraping and spamming activities.
11	Although craigslist does its best to protect its site from Defendants' unwanted and improper

Although craigslist does its best to protect its site from Defendants' unwanted and improper interference, those efforts are far from one hundred percent successful—leaving craigslist users victim to Defendants' violations of the law.

FIRST CLAIM FOR RELIEF **Breach of Contract**

- 45. craigslist realleges and incorporates by reference all of the factual allegations set forth above.
- 46. At all relevant times, the main craigslist homepage, and other pages from which users navigate the craigslist website, have prominently displayed links to craigslist's Terms of Use and made clear that users may not access the craigslist website without agreeing to those Terms of Use. In addition, craigslist users are presented with the Terms of Use and must affirmatively accept them to register for a craigslist account to post ads. Similarly, craigslist users are presented with the Terms of Use and must affirmatively accept them before posting an ad without an account.
- Defendants have accepted and agreed to be bound by the Terms of Use by 47. creating accounts, posting ads to craigslist and/or browsing or otherwise accessing the craigslist website.
 - 48. Defendants have regularly accessed and used the craigslist website to, among

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Instamotor's commercial products or services (including content on an Internet website operated for a commercial purpose) as provided in 15 U.S.C. § 7702(2)(A). 59. On information and belief, Defendants initiate the transmission of commercial

- electronic mail messages with actual knowledge, or knowledge fairly implied on the basis of objective circumstances, that the messages contain, or are accompanied by, header information that is materially false or materially misleading.
- 60. On information and belief, Defendants initiate the transmission of commercial electronic mail messages with actual knowledge, or knowledge fairly implied on the basis of objective circumstances, that the messages' subject heading would be likely to mislead a recipient, acting reasonably under the circumstances.
- 61. On information and belief, Defendants are also engaged in a pattern or practice of initiating the transmission of commercial electronic mail messages that do not contain a functioning return electronic mail address or other Internet-based response mechanism.
- 62. On information and belief, Defendants initiate the transmission of commercial electronic messages, in a pattern or practice, that do not clearly and conspicuously identify that the messages are advertisements or solicitations for Instamotor's services, do not contain clear and conspicuous notice of the opportunity to decline to receive further commercial electronic mail messages from the sender, and do not provide a physical postal address of the sender.
- 63. On information and belief, Defendants originate or transmit commercial electronic messages or intentionally pay or provide other consideration to another person to initiate such messages on its behalf, with actual knowledge that, or by consciously avoiding knowing whether, such person is engaging, or will engage, in a pattern or practice that violates the CAN-SPAM Act.
- 64. On information and belief, Defendants knowingly initiate the transmission of commercial electronic mail messages or assist in the origination of such messages to craigslist users with actual knowledge or knowledge fairly implied on the basis of objective circumstances that the email addresses were obtained by using an automated means such as email harvesting software.

- 65. Defendants' conduct violates the CAN-SPAM Act many times over, including without limitation 15 U.S.C. §§ 7704(a)(1), (a)(2), (a)(3), (a)(5), and (b).
- 66. craigslist is adversely affected by reason of these violations, including, without limitation, by incurring expenses and resources associated with being forced to investigate and combat Defendants' unauthorized spam messages.
 - 67. craigslist is entitled to statutory damages in an amount to be proven at trial.
- 68. craigslist is entitled to aggravated damages in an amount equal to three times the amount otherwise available pursuant to 15 U.S.C. § 7706(g)(3)(C) because Defendants have knowingly and willfully violated craigslist's rights and have sent commercial electronic mail messages to craigslist users by using automated means to obtain their email addresses as set forth in 15 U.S.C. § 7704(b).
- 69. In addition, craigslist has suffered and will continue to suffer irreparable harm, and its remedy at law is not itself adequate to compensate it for injuries inflicted by Defendants. Accordingly, craigslist is entitled to injunctive relief pursuant to 15 U.S.C. § 7706(g)(1)(A).
- 70. craigslist is also entitled to recover its costs, including attorneys' fees, pursuant to 15 U.S.C. § 7706(g)(4).

THIRD CLAIM FOR RELIEF

Violations of the Restrictions on Unsolicited Commercial Email Advertisers (Cal. Bus. & Prof. Code § 17529, et seq.)

- 71. craigslist realleges and incorporates by reference all of the factual allegations set forth above.
- 72. craigslist is an electronic mail service provider as defined in Cal. Bus. & Prof. Code § 17529.1 because it is an Internet service provider that is an intermediary in sending or receiving electronic mail or that provides to end users of the electronic mail service the ability to send or receive electronic mail.
- 73. The electronic messages initiated by Defendants are "commercial e-mail advertisements" as defined in Cal. Bus. & Prof. Code § 17529.1 because they were initiated for the purpose of advertising or promoting the lease, sale, rental, gift, offer, or other disposition of any property, goods, services, or extension of credits.

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5. Directly or indirectly violating the Terms of Use and/or Privacy Policy of 1 2 any craigslist website, including but not limited to *craigslist.org*; and 3 6. Circumventing technological measures that control access to craigslist. B. 4 An order compelling Defendants to account to craigslist for any and all profits derived from their unlawful conduct. 5 6 C. An order compelling Defendants to destroy all copies of craigslist's user listings 7 in its possession, custody, or control. 8 D. An order awarding craigslist restitution and damages, as described herein and as 9 permitted by law. 10 E. An order awarding craigslist pre-judgment interest. F. An order awarding craigslist its costs of suit, including, but not limited to 11 12 reasonable attorneys' fees, as permitted by law. G. An order awarding craigslist such other relief as the Court deems appropriate. 13 14 15 **JURY DEMAND** Pursuant to Rule 38 of the Federal Rules of Civil Procedure and Local Rule 3-6, Plaintiff 16 17 demands a trial by jury. 18 19 Dated: April 28, 2017 LATHAM & WATKINS LLP 20 /s/Perry J. Viscounty Perry J. Viscounty 21 Attorneys for Plaintiff 22 craigslist, Inc. 23 24 25 26 27 28

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